



JENNIFER M. GRANHOLM  
GOVERNOR


STATE OF MICHIGAN  
OFFICE OF THE STATE BUDGET  
LANSING

ROBERT L. EMERSON  
DIRECTOR

August 9, 2007

**MEMORANDUM**

TO: Finance, Administrative, and Human Resource Officers  
All State Agencies

FROM:  Ruth Mealy, Director  
Payroll and Tax Reporting Division  
Office of Financial Management

SUBJECT: Revision of 2007 Contribution Rates for Retirement

In accordance with Executive Order 2007-3, further adjustments to employer contribution rates for fiscal year 2007, are necessary for the remainder of the fiscal year as summarized below.

Retirement Code	Current Rate	Revised Rate
RE01	10.22%	4.68%
RE02/17	37.12%	34.63%
RE04	10.49%	6.63%
RE26	9.55%	3.91%

The attached table has been updated to reflect this change. These changes will be effective with the August 23, 2007 pay date.

Please refer any questions regarding this memo to Peter Woodford, Office of Financial Management, Payroll and Tax Reporting Division at (517) 335-3588.

Attachment

cc w/att: N. Duncan  
M. Moody  
L. Mester  
D. Ringler  
P. Lack  
P. Stoddard - ORS  
J. Winters - DCS  
T. Hall - OSE  
D. Pintacura - DIT

OSB Directors  
PTR Staff  
J. Paxton  
J. Hallitt

**SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES**  
**August 23, 2007**

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
01	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	4.68%	12.33%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	4.68%	6.13%
02	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	34.63%	34.63%
03	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
04	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	6.63%	14.28%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	6.63%	8.08%
05	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
06	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
07	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
08	\$0 - \$97,500	6.20%	1.45%	3.50%	11.15%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	3.50%	4.95%	0.00%	1.45%	0.00%	1.45%
09	\$0 - \$97,500	6.20%	1.45%	9.00%	16.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	9.00%	10.45%	0.00%	1.45%	0.00%	1.45%
10	\$0 - \$97,500	6.20%	1.45%	1.50%	9.15%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	1.50%	2.95%	0.00%	1.45%	0.00%	1.45%
11	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%

**SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES**  
**August 23, 2007**

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
12	\$0 - \$97,500	6.20%	1.45%	5.00%	12.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	5.00%	6.45%	0.00%	1.45%	0.00%	1.45%
13	\$0 - \$97,500	6.20%	1.45%	3.58%	11.23%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	3.58%	5.03%	0.00%	1.45%	0.00%	1.45%
14	\$0 - \$97,500	6.20%	1.45%	8.36%	16.81%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	8.36%	9.81%	0.00%	1.45%	0.00%	1.45%
15	\$0 - \$97,500	6.20%	1.45%	8.38%	16.03%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	8.38%	9.83%	0.00%	1.45%	0.00%	1.45%
16	\$0 - \$97,500	6.20%	1.45%	3.59%	11.24%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	3.59%	5.04%	0.00%	1.45%	0.00%	1.45%
17	All	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	34.63%	36.08%
18	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	All	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	All	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%
24	\$0 - \$97,500	6.20%	1.45%	5.23%	12.88%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	5.23%	6.68%	0.00%	1.45%	0.00%	1.45%

# SOCIAL SECURITY, MEDICARE, AND RETIREMENT RATES

**August 23, 2007**

Rtmt. Code	Calendar Yr. Earnings	Employee Share				State Share			
		Social Security	Medicare	Retirement	Total	Social Security	Medicare	Retirement	Total
25	\$0 - \$4,200	6.20%	1.45%	3.00%	10.65%	6.20%	1.45%	0.00%	7.65%
	\$4,200 - \$97,500	6.20%	1.45%	5.00%	12.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	5.00%	6.45%	0.00%	1.45%	0.00%	1.45%
26	\$0 - \$97,500	6.20%	1.45%	0.00%	7.65%	6.20%	1.45%	3.91%	11.56%
	Over \$97,500	0.00%	1.45%	0.00%	1.45%	0.00%	1.45%	3.91%	5.36%
27	\$0 - \$97,500	6.20%	1.45%	7.00%	14.65%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	7.00%	8.45%	0.00%	1.45%	0.00%	1.45%
30	\$0 - \$97,500	6.20%	1.45%	13.50%	21.15%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	13.50%	14.95%	0.00%	1.45%	0.00%	1.45%
31	\$0 - \$97,500	6.20	1.45%	10.46%	18.11%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	10.46%	11.91%	0.00%	1.45%	0.00%	1.45%
32	\$0 - \$97,500	6.20	1.45%	10.40%	18.05%	6.20%	1.45%	0.00%	7.65%
	Over \$97,500	0.00%	1.45%	10.40%	11.85%	0.00%	1.45%	0.00%	1.45%
40	\$0 - \$97,500	6.20%	1.45%	Varies <sup>1</sup>	Varies 7.65%-10.65%	6.20%	1.45%	Varies <sup>2</sup>	Varies 23.85-26.85%
	Over \$97,500	0.00%	1.45%	0-3%		0.00%	1.45%	16.20 – 19.20%	17.65-20.65%
50	\$0 - \$97,500	6.20%	1.45%	Varies <sup>1</sup>	Varies 7.65%-10.65%	6.20%	1.45%	Varies <sup>3</sup>	Varies 11.65-14.65%
	Over \$97,500	0.00%	1.45%	0-3%		0.00%	1.45%	4-7%	5.45-8.45%
52	\$0 - \$97,500	6.20%	1.45%	Varies <sup>1</sup>	Varies 9.65%-12.65%	6.20%	1.45%	Varies <sup>3</sup>	Varies 11.65-14.65%
	Over \$97,500	0.00%	1.45%	2-5%		0.00%	1.45%	4-7%	5.45-8.45%
60	\$0 - \$97,500	6.20%	1.45%	Varies <sup>1</sup>	Varies 7.65%-10.65%	6.20%	1.45%	Varies <sup>3</sup>	Varies 11.65-14.65%
	Over \$97,500	0.00%	1.45%	0-3%		0.00%	1.45%	4-7%	5.45-8.45%

<sup>1</sup> Code DZ40 or DJ40 varies from 0.00% to 3.00%, depending on employee election.

<sup>2</sup> Includes mandatory state share (DZ4S) (4.00%), state match of optional employee share (DZ40) (0.00% to 3.00%), and state share for post-retirement health insurance benefits (RE40) (12.20%).

<sup>3</sup> The contribution for codes DZ4S & DJ4S is 4.0%. The contribution for codes DZ40 and DJ40 varies from 0.00% to 3.0%.